Proposals for better management/utilisation of budgetary allocations

2957. SHRI S. PETER ALPHONSE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that poor budgeting and financial management by most of Government departments have adversely affected development work;

(b) whether the overall savings of an alarming Rs. 44,231 crores have virtually paralysed various social welfare schemes; and

(c) what proposals Government have got for the better management and utilisation of budgetary allotments?.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The Budget Estimates and Revised Estimates 1997-98 under the "Social Services" sector, function-wise, are given below:

(Rs. in crore)

	1997-98 (BE)	1997-98 (RE)
1. Education, Sports, Youth Affairs	5421	5134
2. Health and Family Welfare	3308	3369
3. Water Supply, Housing, etc.	3450	3449
4. Information & Broadcasting	683	8%
5. Labour & Employment	720	651
6. Welfare of SC/ST & OBC	1001	728
7. Other Social Services	2600	2293
TOTAL—Social Services	17183	16520

It may be seen from the above that the shortfall in utilisation of provisions allocated for "Social Services" is not as large as mentioned in the question.

(c) Monitoring of expenditure and improvement in expenditure management is a continuing exercise. Instructions have been issued from time to time for improvement in expenditure management and proper utilisation of budgeted expenditure. In this connection, it is pertinent to mention that as per the extant procedure, the excess expenditure over budgetary allocations and savings are reported to parliament through the report of the C & A. G of India and are examined by the Public Accounts Committee.

Increase in cases of drug smuggling

2958. SHRI AHMED PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether increasing cases of narcotic drug smuggling have been detected along the international borders of the State of Gujarat;

(b) if so, the details of cases detected and quantity of drugs seized in the State during the last three years, year-wise; and

(c) the remedial measures taken or proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANA): (a) No, Sir.

(b) and (c) Do not arise.

Survey conducted by FICCI regarding threat preception of MNCs

2959. SHRI E. BALANANDAN: Will the Minister FINANCE of be pleased to state:

(a) whether Government's attention has been drawn to a survey conducted by the Federation of Indian Chamber of Commerce and Industry (FICCI) which revealed that majority of industrialists shared a threat perception on account of MNCs entry;

(b) if so, whether Government are considering to do introspection regarding the impact of globalisation on the Indian economy; and

(c) if not, the reasons therefore?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Federation of Indian Chamber of Commerce and Industry (FICCI) have not conducted any survey of industrialists of all sizes in different sectors across the country where the question of threat perception of MNCs entry was raised and response received. However, one of the questions prepared for the survey carried out by FICCI on "impact of Economic Reforms on the Small Scale Sector" related to entry of MNCs (The survey covered only 98 respondents). While a number of respondents pointed out that allowing MNCs to invest in the equity of SSI units, there has been inflow of technology and finance and also the marketing networks, others expressed some threat perception as well.

(b) and (c) The Government's policy is to carefully analyse the effects of globalisation, calibrate it by devising a timetable to suit to national conditions and requirements, as laid down in the National Agenda for Governance.

Revenue loss suffered by States

2960. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) the estimated total quantum of revenue loss suffered by the States be-casue of the shortfall in the collection of direct taxes during 1997-98;

(b) whether it is proposed to compensate the States for this loss; and

(c) whether the amounts to devolve the State Governments in terms of the Finance Commission's recommendations have been fully transferred to the States in respecj.of receipts from the Voluntary Disclosure of Income Scheme?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The estimated collectioins from Income Tax in Budget Estimates, 1997-98 and the Revised Estimates, 1997-98 are Rs. 21700 crores and Rs. 28750 crores (including Rs. 10050 crores under VDIS, 1997), respectively. States' share of Income Tax on the basis of the Budget Estimates, 1997-98 and the Revised Estimates, 1997-98 are Rs. 15691 crores' and Rs. 21116 crores (Including Rs. 7594 crores under VDIS, 1997), respectively.

(b) The question of compensation does not arise, the devolution of States' share is as per commitment.

(c) Out of the total estimated collection of Rs. 10050 crores under VDIS, 1997, Rs. 7594 crores have already been paid to the State Governments in March, 1997. The individual States' share has been determined on the basis of the percentages prescribed by the 10th Finance Commission in respect of States' share in Income-Tax.

FDI in total annual investments

2961. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state the foreign direct investments cover of the total annual investments in the Indian Economy, over the last six years of economic reforms, year-wise?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): The details of Foreign Direct Investments received during last six years are as follows:

Year	Foreign Direct Investment received (in US $ Million)
1991-92	129
1992-93	315
1993-94	586
1994-95	1228
1995-96	1943
1996-97	2524

Transfers in banks beyond language area

2962. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether as per Sastry Award, clerks in the private/public sector banks